# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:7103
ANSWERED ON:08.05.2015
EXCHANGE TRADED CURRENCY DERIVATIVES
Hari Shri G.

**Will the Minister of FINANCE be pleased to state:**

(a) whether the Reserve bank of India (RBI) has relaxed rules for foreign investors in exchange traded currency derivatives by increasing trading limits;

(b) if so, the details thereof;

(c) whether as per directives RBI foreign portfolio investors can take long or short position of up to US$ 5 million in Euro/Rupee, Yen/Rupee pairs in exchange traded derivatives; and

(d) if so, the details thereof?

## Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAY ANT SINHA)

(a) to (d): In terms of Reserve Bank of India`s A.P. (DIR Series) Circular No. 91 dated March 31, 2015 and SEBI`s CIR/MRD/DP/ 04 /2015 dated April 08, 2015 following relaxations have been made:

i. Foreign Portfolio Investors (FPIs) have been allowed to take positions (long as well as short) in USD-INR pair up to USD 15 million per exchange m the Exchange Traded Currency Derivative (ETCD) segment.

ii. Further, they have also been permitted to take long (bought) as well as short (sold) positions in EUR-INR, GBP-INR and JPY-INR pairs, all put together, up to . USD 5 million equivalent per exchange.

iii. Beyond the above limits, FPIs can take long position in any exchange to hedge the underlying exposure.